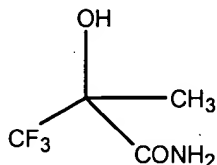


IN THE CLAIMS:

✓ Please cancel claims 1-3 and 15-21, without prejudice.

Please add the following new claims:

--22. (New) A biologically pure culture of a microorganism capable of utilizing propionamide of the formula:



in the form of the racemate or of its optically active isomers as the sole nitrogen source.

23. (New) The microorganism of claim 22 wherein said microorganism is selected from the group consisting of the genus *Rhodococcus*, *Arthrobacter*, *Bacillus*, *Klebsiella* or *Pseudomonas*.

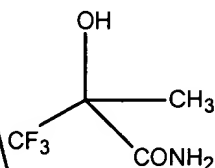
C

24. (New) The microorganism of claim 23 wherein the microorganism is selected from the group consisting of the species *Klebsiella oxytoca* PRS1 (DSM 11009), *Klebsiella oxytoca* PRS1K17 (DSM 11623), *Rhodococcus opacus* ID-662 (DSM 11344), *Arthrobacter ramosus* ID-620 (DSM 11350), *Bacillus* sp. ID-621 (DSM 11351), *Klebsiella planticola* ID-624 (DSM 11354), *Klebsiella pneumoniae* ID-625 (DSM 11355) or of the species *Pseudomonas* sp. (DSM 11010).

B

Sub Cl  
cont.

25. (New) A cell extract derived from a biologically pure culture of a microorganism capable of utilizing propionamide of the formula:



VI

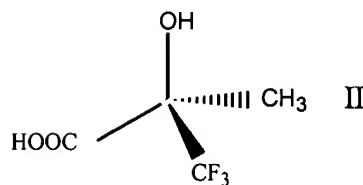
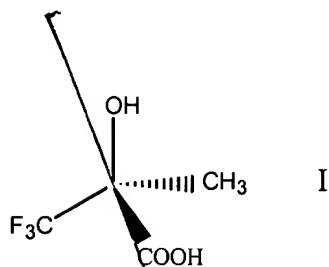
in the form of the racemate or of its optically active isomers as the sole nitrogen source.

26. (New) The cell extract of claim 25 wherein said microorganism is selected from the group consisting of the genus *Rhodococcus*, *Arthrobacter*, *Bacillus*, *Klebsiella* or *Pseudomonas*.

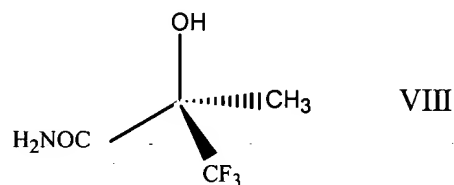
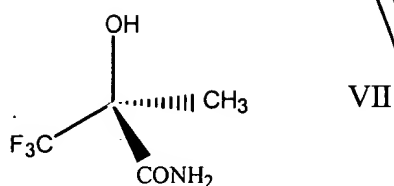
27. (New) The cell extract of claim 26 wherein the microorganism is selected from the group consisting of the species *Klebsiella oxytoca* PRS1 (DSM 11009), *Klebsiella oxytoca* PRS1K17 (DSM 11623), *Rhodococcus opacus* ID-662 (DSM 11344), *Arthrobacter ramosus* ID-620 (DSM 11350), *Bacillus* sp. ID-621 (DSM 11351), *Klebsiella planticola* ID-624 (DSM 11354), *Klebsiella pneumoniae* ID-625 (DSM 11355) or of the species *Pseudomonas* sp. (DSM 11010).

28. (New) A process for the preparation of (S) - or (R) -3, 3, 3-trifluoro-2-hydroxy-2-methylpropionic acid of the formula:

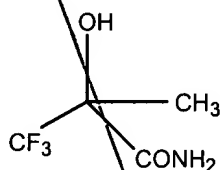
Sub C1  
cont.



and/or of (R) - or (S) -3, 3, 3-trifluoro-2-hydroxy-2-methylpropionamide of the formula

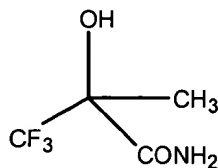


comprising the conversion of propionamide of the formula



into the compounds of the formulae I, II, VII or VIII using:

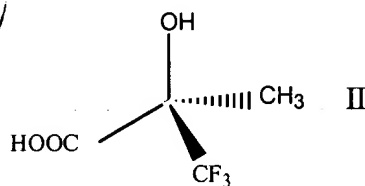
- (a) the microorganism of claim 22, 23 or 24;
- (b) the cell extracts of claim 25, 26 or 27; or
- (c) a polypeptide having amidohydrolase activity capable of hydrolysing (R)-3, 3, 3-trifluoro-2-hydroxy-2-methylpropionamide of the formula



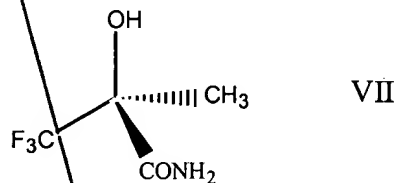
Sub C1  
cont.

29. (New) The process of claim 28 further comprising the step of isolating the compounds of formula I, II, VII or VIII.

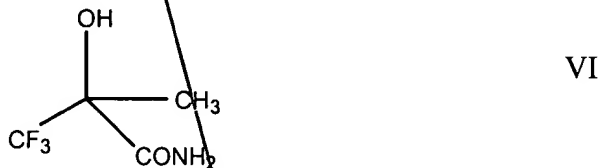
30. (New) A process for the preparation of (R) -3, 3, 3-trifluoro-2-hydroxy-2-methylpropionic acid of the formula



and/or of (S) -3, 3, 3-trifluoro-2-hydroxy-2-methyl-propionamide of the formula



comprising the conversion of the propionamide of the formula



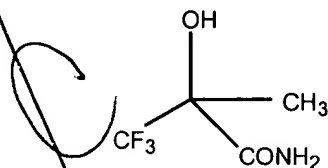
into the compound of the formula II utilizing the microorganism of claim 22.

B1  
cont.

Sub C1  
cont.

31. (New) The process of claim 30 further comprising the step of isolating the compound of formula II and/or of the compound of formula VII.

32. (New) The process of claim 30 wherein the microorganism contains a nucleic acid molecule encoding a polypeptide having aminohydrolase activity capable of hydrolyzing (R) -3, 3, 3-trifluoro-2-hydroxy-2-methylpropionamide of the formula:



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33. (New) The process of claim 32 wherein the nucleic acid molecule encodes the amino acid sequence of SEQ ID No. 2.

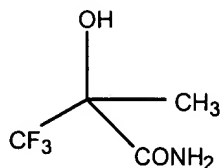
34. (New) The process of claim 32 wherein the nucleic acid molecule is selected from the group consisting of:

- (a) a nucleic acid molecule comprising the sequence of SEQ ID No. 1 and sequences which are complementary thereto; and
- (b) DNA sequences which hybridize under stringent hybridization conditions to SEQ ID No. 1 and which encode a polypeptide with stereospecific amidohydrolase activity.

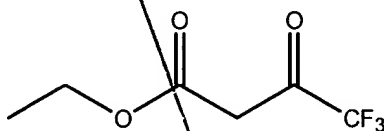
Sub C1  
Cont.  
Klebsiella.

35. (New) The process of claim 30 wherein the microorganism is of the genus

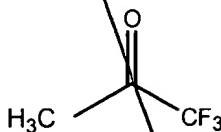
36. (New) The process of claim 28 or 30 characterized in that the  
propionamide of the formula



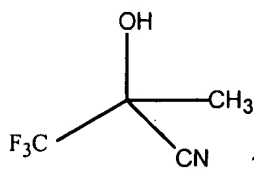
is prepared by converting, in a first step, trifluoroacetate of the formula



into trifluoroacetone of the formula

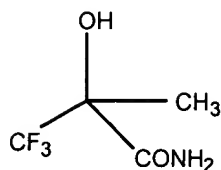


using a mineral acid, converting the former, in the second step, into the propionitrile of the  
formula



sub C1  
cont.

using a cyanide, and converting the former, in the third step, into the propionamide of the formula



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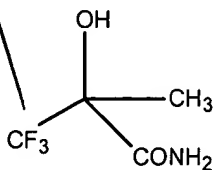
(a) using concentrated mineral acid; or (b) microbiologically using mutated microorganisms of the genus *Rhodococcus*.

37. (New) The process of claim 36 wherein the mineral acid is selected from the group consisting of: sulphuric acid, phosphoric acid or nitric acid.

B1  
cont.

38. (New) The process of claim 36 wherein the cyanide is an alkali metal cyanide.

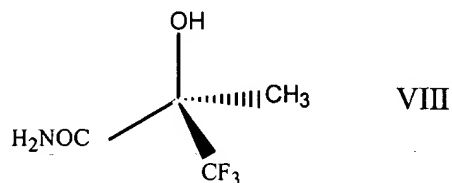
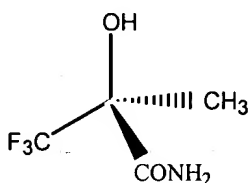
39. (New) The process of claims 28, 30, or 36 characterized in that the conversion of the propionamide of the formula



VI

Sub C/1  
ant. is carried out using microorganisms of the genus *Klebsiella*, *Rhodococcus*, *Arthrobacter*,  
*Bacillus*, *Escherichia*, *Comamonas*, *Acinetobacter*, *Rhizobium*, *Agrobacterium*,  
*Rhizobium/Agrobacterium* or *Pseudomonas*.

40. (New) The process of claims 28 or 30, characterized in that the (S) - or  
(R) -3, 3, 3-trifluoro-2-hydroxy-2-methylpropionamide of the formula



is hydrolysed to the compound of the formula I or II, either chemically in the presence of a base  
or microbiologically using microorganisms of the genus *Rhodococcus*--

REMARKS

Claims 1-3 and 15-21 are pending. Claims 2-3, 15-19 and 21-21 are objected to  
because of a number of informalities. Claims 1-3 are rejected under 35 U.S.C. §101; claims 15-  
16 and 17-21 are rejected under 35 U.S.C. §112, second paragraph and claims 1-3 and 15-21 are  
rejected under 35 U.S.C. §112, first paragraph. Applicants have canceled claims 1-3 and 15-21  
and replaced them with new claims 22-40. For reasons set forth in detail below, Applicants  
request that the rejections be withdrawn and claims be allowed.